AMO REPORTS 84-5

SERVICES FOR THE ELDERLY - A MUNICIPAL PERSPECTIVE

THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO
SEPTEMBER 1984

86-02227/

ASSOCIATION OF MUNICIPALITIES OF ONTARIO

The Association of Municipalities of Ontario, a non-partisan voluntary organization, is united to promote the values of the municipal government system and the status of the municipal level of government as a vital and essential component of the total intergovernmental framework of Ontario and Canada.

The Association acts as the collective voice of Ontario's municipal governments and is organized to accomplish through cooperation and coordination, what the majority have neither the time nor the resources to do individually.

The Association represents some six hundred (600) municipal governments throughout Ontario. The governing body is composed of some eighty (80) municipal elected and appointed officials, who in turn represent a wide-range of municipal government interest.

The following sections and affiliated municipal professional associations form an important part of the Association's structure and therefore, play an important part in its activities in terms of the Board of Directors, program and policy development:

Association Sections:

* County and Regional Section
* Large Urban Section
* Northern Ontario Section (FONOM/NOMA)
* Rural (ROMA) Section
* Organization of Small Urban Municipalities Section

Association Affiliates:

* Association of Municipal Clerks and Treasurers of Ontario
* Association of Municipal Tax Collectors of Ontario
* Municipal Engineers Association
* Ontario Municipal Administrators Association
* Ontario Municipal Personnel Association
* Ontario Municipal Social Services Association
* Society of Directors of Municipal Recreation of Ontario

To the Municipal Clerk:

Please circulate this Report to the members of council and to the staff of your municipality. Additional copies are available at $2.50 each from the Publications Centre, Association of Municipalities of Ontario, 100 University Avenue, Suite 902, Toronto, Ontario M5J 1V6

TABLE OF CONTENTS

		Page
1.	INTRODUCTION	1
2.	EXISTING SERVICES AND RESOURCES	1
	A HOUSING	1
	i) Housing for Independent Living	1
	ii) Housing for Semi-Independent Living	2
	iii) Housing for Dependent Living	2
	B COMMUNITY SUPPORT SERVICES	3
	C INCOME	4
3.	RECOMMENDATIONS FOR THE FUTURE	4
	A CONTINUUM OF CARE	4
	B FUNDING	6
	i) Homes for the Aged and Rest Homes Act Funding Formulae	7
	ii) Charitable Institutions Act Funding Formulae	7
	C MATCHING SERVICES WITH NEED	9
4.	THE MUNICIPAL ROLE	9
5.	THE PROVINCIAL ROLE	10
6.	ADDENDUM	12
7.	SUMMARY OF RECOMMENDATIONS	13

"AMO Reports 84-5" was submitted to the Honourable Gordon Dean, Provincial Secretary for Social Development, the Honourable Claude Bennett, Minister of Municipal Affairs and Housing, and the Honourable Frank Drea, Minister of Community and Social Services, on September 26, 1984.

SERVICES FOR THE ELDERLY - A MUNICIPAL PERSPECTIVE

1. INTRODUCTION

As Provincial studies have shown, the elderly segment of the population in Ontario is gowing dramatically. In 1980, 840,000 persons were 65 years and older. This was ten per cent of the population in Ontario. It is expected that by the year 2001, the elderly will constitute fourteen per cent of the population, and by the year 2021, the elderly segment will have increased to twenty per cent of the population, with 2,046,000 persons.[1] By the turn of the century the population of those over 85 years will have increased two and a half times from today. At the same time as the population is aging, the attitudes of the elderly are also changing. Increased community-based services have provided a variety of options to the elderly in terms of their living arrangements, and increasingly the elderly are exercising the option to remain in the community, where feasible. Admissions are not occurring until the elderly are no longer able to maintain themselves in their own homes in the community and this development has changed the profile of the institutionalized elderly.

Municipalities are becoming increasingly concerned about the impact of the aging population. Municipalities are required to establish and maintain homes for the aged and they may be involved in delivering subsidized housing for senior citizens, in providing income assistance through special assistance or supplementary aid, and in providing a variety of home support programs. The changing needs of the elderly make it timely for municipalities to determine how they perceive their role in providing services for the elderly.

2. EXISTING SERVICES AND RESOURCES

A HOUSING

i) Housing for Independent Living

This category includes living quarters in which the dwelling unit is separate and self-contained. It could include single-family dwellings, apartments, condominiums, co-operatives and trailers,

---

[1] The Secretariat for Social Development, The Elderly in Ontario: An Agenda for the '80s, December, 1981.

for example. A number of factors are important in creating conditions which allow the elderly to live independently. These include the following:

a) adequate incomes to meet property taxes, commercial rents and other household expenses

b) assistance to maintain oneself and one's property in good condition and repair, either on a regular basis or during periodic illnesses (adequate and comprehensive home support service)

c) available and accessible health and social services

d) transportation

e) appropriate design of housing, including special supports for the frail and infirm. For example, these could include grab bars on bathtubs and in showers, shelves that require less bending and stretching, an emergency call system, and access to wheel chairs, walkers and canes.

ii) Housing for Semi-Independent Living

This category includes living quarters in subsidized accommodation geared to special needs, special housing for senior citizens, congregate living accommodations including retirement homes, boarding and rooming houses, and group living arrangements entered into by common agreement between several older, or older and younger persons. It is anticipated that some personal care services emanating from the community would be required.

iii) Housing for Dependent Living

This category includes supervised quarters in retirement homes, rest homes, homes for the aged, nursing homes, chronic-care hospital, foster/satellite homes, or in private homes with nursing care. Several surveys have revealed that the elderly prefer to live in the community.

Homes for the aged may be established under the Homes for the Aged and Rest Homes Act or the Charitable Institutions Act. Both types of homes provide accommodation, meals, support services, companionship and socialization for older people who cannot con-

tinue to live independently in the community. Both types of homes provide either residential services, or a combination of residential and extended care services. Residential care refers to services provided to persons who require less than 1 1/2 hours of skilled nursing and personal care per day. Extended care refers to care and services provided to persons who require 1 1/2 hours or more of skilled nursing and personal care per day.

The Homes for the Aged and Rest Homes Act requires all municipalities in Ontario not in a territorial district to establish and maintain a home for the aged, or to enter into an agreement with one or more municipalities to provide this service. Municipal homes may provide both residential and extended care services. They may also provide community based residences for residents who are capable of self-care. These satellite homes may provide residential care services only, but they assure residents of being able to receive a continuum of care.

B COMMUNITY SUPPORT SERVICES

Community support services enable older people to remain independent in the community. They help slow the demand for institutional care and most programs are less costly than providing institutional care.

Home support services programs are available through the Ministry of Community and Social Services, Ministry of Health, municipalities and volunteer agencies for elderly persons in the community, 60+ years of age, who meet the requirement of persons in need. Assistance is provided towards the costs of a variety of home support services including:

a) meals-on-wheels
b) wheels-to-meals
c) housekeeping services
d) home maintenance
e) handyman services
f) transportation for shopping and medical appointments
g) friendly visiting
h) telephone reassurance
i) security checks
j) personal care services
k) counselling and referral
l) day care
m) postal alert
n) vacation care

Home care services, including acute and chronic home care, are administered by local boards of health. Assistance is provided for home nursing, physiotherapy, occupational therapy and nutrition consultation.

The difficulty with community support services is that they are limited. Not all seniors are eligible for the services, the services are not available in all communities, and often are not affordable.

C INCOME

Income is one of the most important factors influencing older people's independence, quality of life, and health. It determines the quality and quantity of food, clothing, shelter and recreation that a person can purchase and this has an important, indirect bearing on health. In terms of government assistance, the Federal and Provincial Governments assume primary responsibility. However, on an ad hoc basis, municipalities have been increasingly forced to meet the special needs of the aging population. A variety of ancillary programs have developed which are funded not only by the Federal and Provincial Governments, but also from the municipal tax base. These are offered on a discretionary basis and do not exist in all communities across the Province. The following sources of income are available to the elderly:

a) Old Age Security (OAS), an indexed universal benefit (Federal)
b) Guaranteed Income Supplement (GIS), an indexed income-tested benefit (Federal)
c) Guaranteed Annual Income System (GAINS), an income-tested benefit (Provincial)
d) Canada Pension Plan
e) Private pension plans
f) Savings
g) Income from employment
h) Various tax measures and rebates

3. RECOMMENDATIONS FOR THE FUTURE

A CONTINUUM OF CARE

In order to address the needs of the elderly, a comprehensive approach is suggested. Institutional care, housing, community support

services and income are all necessary components. A continuum of care will enable appropriate use to be made of existing resources. Special housing for seniors should be considered in the development of this model.

AMO recommends the following:

Continuum of Care

1. That the Provincial Government, in co-operation with municipalities, promote and fund a continuum of service model in all communities to match the type of service with the level of need. This continuum should range in services from independent living to institutional care and the funding and fee structure be consistent throughout the continuum.

Housing

2. That a continuum of accommodation be available to the elderly from independent living to dependent residential care, with a monitoring mechanism to match the type of accommodation with the level of need.

3. That the Provincial Government study ways in which the elderly can use the equity in their homes to ensure adequate income levels. For example, various forms of reverse mortgages permit arrangements whereby home owners may use the equity in their homes to obtain cash.

4. That innovative solutions such as "granny flats", conversions, and home sharing be encouraged to enable the elderly to remain independent in their homes as long as possible.

5. That the Provincial Government be requested to mandate a better integration of housing for the elderly with other services provided.

Community Support Services

6. That the Provincial Government commit itself to providing a comprehensive network of community support services to enable the elderly and their families to maintain independence.

7. That the Provincial Government provide the necessary funding to assist and encourage municipalities across Ontario to co-ordinate, plan, develop and deliver community support services for all the elderly.

Income

8. That the Federal Government continue to increase payments under the Guaranteed Income Supplement (GIS) to keep pace with inflation and the cost of living.

9. That the Provincial Government continue to increase payments under the Guaranteed Annual Income System (GAINS) to the extent that the Federal Government's pensions fail to keep pace with inflation and the cost of living.

10. That the Pension Benefits Act and the Canada Pension Plan Act be amended so that reasonable minimum levels of income will be available to all members of the labour force when they retire, or become disabled, and to their survivors.

11. That the Provincial Government urge the Federal Government to ensure the portability of pensions.

B FUNDING

A variety of funding formulae exist for the different types of services available for seniors. The Home Care Program, administered by the Ministry of Health, is funded 100% by the Ministry. For the Home Support Services Program, the Ministry of Community and Social Services provides 50% of the net costs up to a Provincially set allocation, and municipalities or agencies provide the remaining 50%. Funding for this program is flowed through the Ministry of Community and Social Services Act. Nursing homes, and homes for the aged are funded differently, and charitable homes are funded differently from municipal homes.

The following compares the different funding formulae for homes for the aged under the Homes for the Aged and Rest Homes Act, and under the Charitable Institutions Act:

i) Homes for the Aged and Rest Homes Act Funding Formulae

Residential Care

Residential care residents contribute to the costs of their maintenance on an ability to pay basis. Full pay residents are those residents financially able to pay the entire actual per diem without financial assistance.

Other residents (part pay) contribute as much as they can of the actual per diem. The Ministry of Community and Social Services pays 70% of the difference between what the resident can pay and the actual per diem rate, and the remaining 30% is paid by the municipality.

Extended Care

Full pay residents who receive extended care must pay the basic co-payment fee set by the Provincial Government. The Ministry subsidizes 100% of the difference between the co-payment rate and a ceiling set by the Province. The Ministry subsidizes 70% of the difference between the ceiling and the actual per diem rate, and the municipality pays the remaining 30% difference between the ceiling and the actual per diem.

ii) Charitable Institutions Act Funding Formulae

Residential Care

Residential care residents who are able, must pay the entire actual per diem rate.

Other residents (part pay) pay as much as they can of the actual per diem rate. The Ministry pays 80% of the difference between what the resident pays and a ceiling set by the Province. The home is responsible for the remaining 20%. If the actual per diem is higher than the ceiling, the home is responsible for 100% of the difference.

Extended Care

Full pay residents who receive extended care must pay the basic co-payment fee set by the Province. The Ministry pays 100% of the difference between the co-payment rate and the ceiling, and

pays nothing above the ceiling. If the actual per diem is higher than the ceiling, the home is responsible for paying 100% of the difference.

AMO believes that differences in funding influence the service system, as demands for various types of services may be shaped depending on the type of subsidy available. For example, the different subsidy arrangements in municipal homes and charitable homes may explain the different client groups served. The legislation states that charitable homes are responsible 100% for any operating deficits, whereas municipal homes will be subsidized 70%. It is therefore not surprising to find that studies carried out by district health councils indicate that municipal homes for the aged have a heavier ratio of care than most charitable homes and nursing homes. Inconsistencies in funding subsidies between community-based services and institutional services may affect demands for services, and differences in funding among community-based services may also affect service demands.

Another example of how different subsidy arrangements shape the demand for services is the fact that a resident, while staying in the same institution, may in fact pay <u>less</u> when they stop receiving residential care services and start to receive additional extended care services. As was outlined on the previous page, residential care residents contribute as much as possible, while extended care residents pay a basic co-payment fee. Thus the current system does not encourage people to use the most appropriate and cost efficient services.

AMO recommends:

<u>Funding</u>

12. That the Provincial Government be requested to provide funding to municipalities that will allow for the development of a comprehensive delivery system, and that financial incentives encourage the elderly and their families to use the services most appropriate to need.

13. That the Provincial Government review its policy of uniform charging of a co-payment fee for extended care residents, to address the problems of inequities created, and charge residents on an ability to pay basis, as is done for residential care residents.

C MATCHING SERVICES WITH NEED

In order to ensure that the elderly receive services appropriate to their needs, there is a need for assessment, co-ordination and placement services in each community. These services should be flexible so that changes in needs can be accommodated. There is also a need to develop a means to assist the elderly to become aware of available services.

AMO recommends:

Matching Services with Need

14. That service planning and co-ordination be a municipal responsibility, and that municipalities develop information, assessment, co-ordination and placement services in each community at no additional cost to the municipality.

4. THE MUNICIPAL ROLE

This report has demonstrated that municipalities have a role in serving the elderly population, although this role varies across the Province. Municipalities not in a territorial district are required to establish and maintain a home for the aged, or to enter into an agreement with one or more municipalities to provide this service. Some municipalities are involved in delivering subsidized housing for senior citizens, in providing income assistance through special assistance or supplementary aid, and in providing a variety of community-based services. Municipalities should be encouraged to address the issue of the growing elderly population, in their official plans or other appropriate policy documents.

With respect to the municipal role in providing homes for the aged, there is a growing concern about the level of care that is needed by the institutionalized elderly. AMO believes it should be a matter of municipal discretion regarding who is served or should be served in the homes; however, the Provincial Government should recognize that those persons seeking admission may require heavier care than in the past, as alternatives are assisting those who used to enter the homes to remain in the community longer.

AMO recommends:

15. That municipalities have a continuing role to serve the elderly population in rural and urban areas. Appropriate funding needs to be provided to municipalities to enable them to serve the changing profile of the elderly in their communities and in their institutions.

5. THE PROVINCIAL ROLE

Since 1949 the Province has been contributing significant amounts towards the cost of provision of services for the elderly. Recent initiatives such as allowing for adjustments in property assessment methods to help keep the elderly in their homes and increases in the Guaranteed Annual Income Supplement (GAINS) have been beneficial to individual households. However, neither of these initiatives has resulted in increased sources of funds for municipalities. In fact the modification of the assessment procedure actually decreases the limited tax revenue available to the municipality from the property tax base. The need for revenue to fund the increases needed in service delivery must be recognized.

AMO recommends:

16. That the Province should review immediately its policies such that there are incentives to municipalities to generate new revenue from other sources. For example, allowable charge backs to residents' trust funds, including the comfort allowances, and user fees that vary inconsistently according to type of care, should be examined.

There are an increasing number of groups, such as district health councils, or the Ontario Advisory Council on Senior Citizens, that are providing worthwhile and appropriate documentation on the increasing demand for services. However, it is very important that the focus on the need for immediate action not be lost amongst the discussions about the type of services required.

The increased needs of the elderly client group relate not only to the increasing numbers but also to the provision of specialized services such as those required by the "confused" elderly. If adequate funding for such services is not forthcoming private homes may not be able to provide new types of services, resulting in the consumer's choice being restricted solely to municipal homes.

AMO recommends:

17. That increased funding for new types of programs should be recognized, for example services for the "confused" elderly, or "enriched" housing.

In summary, municipalities are looking for new opportunities to work closely with the Province, immediately, to ensure that the increased revenue from a variety of sources can be generated to the benefit of all taxpayers through resultant financial efficiency and increased levels of service for community support programs, provision of limited services and institutional care.

NOTE: AMO would like to thank the Ontario Municipal Social Services Association (OMSSA) for sharing its report, "Directions for Seniors' Services: The Municipal Role", and to acknowledge that, where appropriate, OMSSA's thoughts have been incorporated into this paper.

6. SUMMARY OF RECOMMENDATIONS

1. That the Provincial Government, in co-operation with municipalities, promote and fund a continuum of service model in all communities to match the type of service with the level of need. This continuum should range in services from independent living to institutional care and the funding and fee structure be consistent throughout the continuum.

2. That a continuum of accommodation be available to the elderly from independent living to dependent residential care, with a monitoring mechanism to match the type of accommodation with the level of need.

3. That the Provincial Government study ways in which the elderly can use the equity in their homes to ensure adequate income levels. For example, various forms of reverse mortgages permit arrangements whereby home owners may use the equity in their homes to obtain cash.

4. That innovative solutions such as "granny flats", conversions, and home sharing be encouraged to enable the elderly to remain independent in their homes as long as possible.

5. That the Provincial Government be requested to mandate a better integration of housing for the elderly with other services provided.

6. That the Provincial Government commit itself to providing a comprehensive network of community support services to enable the elderly and their families to maintain independence.

7. That the Provincial Government provide the necessary funding to assist and encourage municipalities across Ontario to co-ordinate, plan, develop and deliver community support services for all the elderly.

8. That the Federal Government continue to increase payments under the Guaranteed Income Supplement (GIS) to keep pace with inflation and the cost of living.

9. That the Provincial Government continue to increase payments under the Guaranteed Annual Income System (GAINS) to the extent that the Federal Government's pensions fail to keep pace with inflation and the cost of living.

10. That the Pension Benefits Act and the Canada Pension Plan Act be amended so that reasonable minimum levels of income will be available to all members of the labour force when they retire, or become disabled, and to their survivors.

11. That the Provincial Government urge the Federal Government to ensure the portability of pensions.

12. That the Provincial Government be requested to provide funding to municipalities that will allow for the development of a comprehensive delivery system, and that financial incentives encourage the elderly and their families to use the services most appropriate to need.

13. That the Provincial Government review its policy of uniform charging of a co-payment fee for extended care residents, to address the problems of inequities created, and charge residents on an ability to pay basis, as is done for residential care residents.

14. That service planning and co-ordination be a municipal responsibility, and that municipalities develop information, assessment, co-ordination and placement services in each community, at no additional cost to the municipality.

15. That municipalities have a continuing role to serve the elderly population in rural and urban areas. Appropriate funding needs to be provided to municipalities to enable them to serve the changing profile of the elderly in their communities and in their institutions.

16. That the Province should review immediately its policies such that there are incentives to municipalities to generate revenue from other sources. For example allowable charge backs to residents' trust funds, including the comfort allowances, and user fees that vary inconsistently according to type of care, should be examined.

17. That increased funding for new types of programs should be recognized, for example services for the "confused" elderly, or "enriched" housing.

PUBLICATIONS ISSUES IN THE "AMO REPORTS" SERIES

82-1 Adult Residential Facilities
82-2 Response to Bill 159 - An Act to Revise the Planning Act
Appendix to "AMO Reports 82-2": Clause by Clause Review of Bill 159 - An Act to Revise the Planning Act ($4.00)
82-3 Property Taxation of Farms and Managed Forests
82-4 Response to the Provincial Discussion Paper on Wetland Policy
82-5 Provincial-Municipal Grants for Children's Services
82-6 Municipal Lot Levies: An Update
82-7 Rent Review in Ontario
82-8 Report of the Section 86 Working Group
82-9 Report on Amendments to the Police Act
82-10 Bill 115 - An Act to Amend the Retail Sales Tax Act
82-11 Bill 11 - An Act to Provide for the Licensing of Businesses by Municipalities
82-12 Report on Amendments to the Fire Departments Act
82-13 Response to Bill 138 - An Act Respecting the Protection of the Health of the Public
82-14 Response to the Housing Initiatives Contained in the 1982 Ontario Budget
82-15 Foster Care: Proposed Standards and Guidelines for Agencies Placing Children
82-16 Bill C-61 - The Young Offenders Act: Implications for Municipalities
82-17 Report on Procedures with Respect to the Election of the Warden of a County Government
82-18 Canadian Shield Disposal Sites and Nuclear Fuel Waste Management
82-19 Response to Residential Renovation - Proposed Part XI of the Building Code
82-20 Response to Bill 159 - An Act to Revise the Planning Act - as revised by the General Government Committee of the Legislature
82-21 Response to the Draft Guidelines for the Development of Policies on Community Improvement
82-22 Bill 179 - An Act Respecting the Restraint of Compensation in the Public Sector of Ontario and the Monitoring of Inflationary Conditions in the Economy of the Province
83-1 Response of the Association of Municipalities of Ontario to the 1983 Provincial Transfer Payment Announcement
83-2 Affordable Housing - An Overview
83-3 Response to the Ministry of Energy Discussion Paper: Wood Heat Inspection Safety Program for Ontario
83-4 Response to the Discussion Paper on Ontario Carbonated Soft Drink Container Regulations
83-5 Reform and Revision of Conservation Authorities in Ontario
83-6 Response to The Children's Act
83-7 Response to the Provincial Government Discussion Paper Entitled Municipal Cost-Sharing and Unconditional Grants
83-8 Response to the Ontario Public Library System Consultation Paper: A Foundation for the Future
83-9 Response to Blueprint for Change: The Next Ten Years, Interim Report of Dr. G.F. Heseltine
83-10 Response to the Study of Residential Intensification and Rental Housing Conservation, Part 1: Detailed Summary of Findings and Recommendations

83-11 Response to a Ministry of the Environment Discussion Paper: Guidelines for the Regulation and Siting of Mobile PCB Destruction Facilities
83-12 Response to the Ministry of Revenue's Proposals on Property Tax Exemptions for Non-Profit Community-Based Organizations
83-13 Municipal Energy Management Programs: Future Policies and Program Directions
83-14 Response to the Housing Initiatives Contained in the 1983 Ontario Budget, as announced, August 4, 1983
83-15 1984 Guidelines for Municipal Bargaining and Establishment of Compensations packages
83-16 Provincial Flood Plain Policies - The AMO Perspective
83-17 Response to the "Blueprint for Waste Management"
83-18 Response to the First Report on Family Violence: Wife Battering, A Report of the Standing Committee on Social Development
84-1 Response to the Proposed Provincial Mineral Aggregate Resource Planning Policy
Addendum to AMO Report 84-1
84-2 Response to the Off-Road Vehicles Act
84-3 Energy Contingency Planning for Municipal Operations
84-4 The Ontario Environmental Assessment Act and Its Cost Impact on Municipalities
84-5 Services for the Elderly - A Municipal Perspective
84-6 Response to the Report of the Flood Plain Review Committee on Flood Plain Management in Ontario

Copies of all the reports in this series are available at $2.50 each, (except as noted) for postage and handling, prepaid, from: Publications Centre, Association of Municipalities of Ontario, 100 University Avenue, Suite 902, Toronto, Ontario, M5J 1V6. Please make cheques payable to the Association of Municipalities of Ontario.

For a list of AMO reports prior to 1982, please contact the AMO office.